

Message Text

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C O N F I D E N T I A L STATE 173427

STADIS/////////
FROM HORMATS FOR KATZ AND BARRACLOUGH ONLY

E.O. 11652: GDS

TAGS: ESTC

SUBJECT: EXPORT CONTROL POLICY

REF: GENEVA 10343

1. CHRISTOPHER, COOPER, HARMAN MEETING IS STILL
SCHEDULED FOR JULY 11 AT 11 AM.
2. THERE FOLLOWS A CLEAN DRAFT OF MEMO TO THE SECRETARY
PER YOUR REQUEST. A COPY OF THE DRAFT SUPPLIED E-JOHNSTON.
SECTION ON EARLY WARNING PROCEDURES ADDED AT SPECIFIC
REQUEST OF D STAFF TO INCLUDE TOPIC.
3. DRAFT MEMO FROM EB THROUGH E TO THE SECRETARY ON EXPORT
CONTROLS FOR NON-STRATEGIC PURPOSES:

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ISSUE FOR DECISION

IN VIEW OF RAPIDLY PROLIFERATING CONTROLS ON EXPORTS FOR
FOREIGN POLICY REASONS, CONSISTENT CRITERIA FOR REVIEW OF
CASES ARE NEEDED TO ACHIEVE A REASONABLE BALANCE BETWEEN
OUR FOREIGN POLICY AND ECONOMIC INTERESTS.

ESSENTIAL FACTORS

CONTROLS ON EXPORTS ARE NOW IN PLACE OR PROPOSED FOR MANY

PURPOSES OTHER THAN THE PROTECTION OF OUR SECURITY. THE LIST NOW AMOUNTS TO 13 VARIOUS CONTROL PROGRAMS (TAB 1). THIS PROLIFERATION OF RESTRICTIONS IS COMING AT A TIME WHEN THERE IS AN URGENT NEED TO EXPAND EXPORTS TO REDUCE OUR TRADE DEFICIT. ALTHOUGH EACH OF THE CONTROL PROGRAMS HAS STRONG POLICY JUSTIFICATION, WE NEED TO WEIGH THE PRACTICAL EFFECTS OF EXPORT DENIAL ON THE OBJECTIVES OF THESE CONTROL PROGRAMS AGAINST THE HARM DONE TO OUR EXPORT PERFORMANCE AND TO THE OBJECTIVES OF OUR FOREIGN ECONOMIC POLICY. THIS IS NOT TO SUGGEST THAT THE CONFLICTS BETWEEN EXPORT POLICY AND POLITICAL OBJECTIVES MUST ALWAYS BE RESOLVED IN FAVOR OF THE FORMER. NEITHER IS IT APPROPRIATE TO RELEGATE EXPORT POLICY TO THE LOWEST RUNG ON THE PRIORITY LADDER, AS AT PRESENT.

IN THE PRESENT ADMINISTRATION OF EXPORT CONTROLS, ESPECIALLY THOSE CONNECTED WITH HUMAN RIGHTS CASES, THERE IS AN ALMOST AUTOMATIC DELAY OR DENIAL OF EXPORTS TO POLICE OR MILITARY CONSIGNEES REGARDLESS OF THE NATURE OF THE EXPORTS. THUS WE HAVE HELD UP SHIPMENTS OF WORKGLOVES, FLIGHT COVERALLS, SAFETY AND MEDICAL EQUIPMENT, ETC. AND ONCE THERE HAS BEEN A DELIBERATE DELAY OR DENIAL, IT IS ARGUED THAT NO FURTHER GOODS OF THE EMBARGOED CATEGORY

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MAY BE APPROVED LEST WE CONVEY 'A SIGNAL.'

THE HARMFUL EFFECT OF CURRENT PRACTICE ON OUR TRADE IS ALREADY APPARENT AND THE POTENTIAL FOR FURTHER HARM IS GREAT. THE DIRECT EFFECT IS FROM THE LOSS OF SALES WHICH, FOR THE NON-SECURITY CONTROL PROGRAMS NOW IN PLACE, WE CALCULATE TO BE ON THE ORDER OF SEVERAL BILLION DOLLARS. HOWEVER, THE INDIRECT EFFECTS ARE EVEN MORE POTENTIALLY SIGNIFICANT, PARTICULARLY FOR THE LONGER TERM. BECAUSE OF THE DENIAL OF SPARE PARTS AND FOLLOW UP ORDERS FOR SYSTEMS PREVIOUSLY SUPPLIED, THE U.S. IS COMING TO BE REGARDED AS AN UNRELIABLE SUPPLIER. U.S. COMPANIES ARE LOSING MARKET POSITIONS WHICH HAVE TAKEN YEARS TO DEVELOP AND CANNOT BE REGAINED QUICKLY. BUSINESSMEN HAVE COMPLAINED TO US AND TO COMMERCE THAT, BECAUSE OF WHAT SEEMS TO THEM TO BE CAPRICIOUS POLICY CHANGES BY THE GOVERNMENT, THEY ARE BECOMING INCREASINGLY DISENCHANTED ABOUT PURSUING EXPORT MARKETS. NEW ENTRANTS ARE SIMILARLY DISCOURAGED. WE NEED ALSO TO BE CONCERNED ABOUT THE EFFECTS OF OUR DENIAL POLICIES ON TECHNOLOGICAL ADVANCEMENT. DEPRIVATION OF EXPORT MARKETS, PARTICULARLY FOR INDUSTRIES FACING LOW INVESTMENT DEMAND IN THE U.S., WILL IMPEDE RESEARCH AND DEVELOPMENT. FINALLY, WE SHOULD BE AWARE THAT, ONCE AN

UNNECESSARILY RESTRICTIVE CONTROL PROCEDURE BECOMES ESTABLISHED, IT TAKES YEARS TO ALTER, EVEN IF THE ORIGINAL BASIS FOR IT NO LONGER EXISTS.

IN THE RIGHT CIRCUMSTANCES, CONTROLS FOR FOREIGN POLICY REASONS CAN HAVE THE INTENDED - EVEN IF MOMENTARY - POLITICAL IMPACT. EXPERIENCE CLEARLY SHOWS, HOWEVER, THAT MOST OFTEN THEY HAVE LITTLE IMMEDIATE AND EVEN LESS LONGER TERM ECONOMIC EFFECT ON TARGETED COUNTRIES BECAUSE OF THE GENERAL AVAILABILITY OF CONTROLLED GOODS AND TECHNOLOGY FROM THIRD COUNTRIES. THUS THE DENIAL OF U.S. EXPORTS CAN DEMONSTRATE DISPLEASURE WITH A COUNTRY'S BEHAVIOR, BUT A CONFIDENTIAL

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U.S. DENIAL ACTION MAY HAVE THE NEGATIVE EFFECT OF DRIVING THAT COUNTRY TO ALTERNATIVE, MORE RELIABLE SUPPLIERS.

BY ADMINISTERING OUR CONTROLS ON THE BASIS OF A PRESUMPTION FOR DENIAL, THE FULL ECONOMIC COST FALLS ON THE UNITED STATES EVEN WHEN THE POTENTIAL POLITICAL BENEFIT IS LIMITED OR QUESTIONABLE AND LIKELY TO BE TRANSITORY. OUR INTERESTS, THEREFORE, ARE BEST SERVED IF WE LIMIT THE USE OF CONTROLS TO THOSE EXCEPTIONAL CIRCUMSTANCES WHERE FORGOING AN EXPORT OPPORTUNITY RESULTS IN AN EFFECTIVE DENIAL OF THE GOODS TO THE COUNTRY IN QUESTION AND WHERE THE INTENDED POLITICAL BENEFIT IS ACHIEVABLE. THIS REQUIRES A SHIFT IN EMPHASIS IN THE ADMINISTRATION OF CONTROLS FROM THE CURRENT PRESUMPTION OF DENIAL TO A PRESUMPTION OF APPROVAL. IF WE DO NOT MAKE SUCH A SHIFT WE NOT ONLY JEOPARDIZE IMPORTANT ECONOMIC INTERESTS BUT WE RUN A RISK THAT THE ECONOMIC COSTS OF CONTROLS WILL SO OUTWEIGH ANY POLITICAL BENEFIT THAT THE CREDIBILITY OF CONTROLS AND PUBLIC SUPPORT FOR THEM WILL BE UNDERMINED.

PROCEDURAL AS WELL AS POLICY ISSUES NEED TO BE ADDRESSED. ITEMS REQUIRING VALIDATED LICENSES AND CASES REFERRED TO STATE FOR REVIEW MUST BE KEPT TO THE MINIMUM CONSISTENT WITH ACHIEVEMENT OF THE POLITICAL OBJECTIVES OF THE CONTROLS. SPECIFIC SUGGESTIONS IN THE HUMAN RIGHTS AND TERRORISM AREAS ARE AT TAB 2. AN EARLY WARNING SYSTEM TO ALERT THE DEPARTMENT OF COMMERCE AND U.S. INDUSTRY OF PROBLEM AREAS IS ALSO IMPORTANT (SEE TAB 3).

RECOMMENDATION

THAT, AS GUIDANCE FOR THE ADMINISTRATION OF EXPORT CONTROLS, THE DEPARTMENT ADOPT THE POLICY THAT WE WILL CONFIDENTIAL

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NOT OBSTRUCT EXPORTS FOR FOREIGN POLICY REASONS IN OTHER THAN EXCEPTIONAL CIRCUMSTANCES.

APPROVE DISAPPROVE

TAB 1

EFFECTS OF RESTRICTIVE EXPORT CONTROL ADMINISTRATIVE
PRACTICES

1. HUMAN RIGHTS

EXTREMELY RESTRICTIVE INTERPRETATIONS OF THE PRESIDENT'S
DIRECTIVE TO PROHIBIT ALL EXPORTS TO THE POLICE AND
MILITARY IN SOUTH AFRICA ARE THREATENING THE 1.2 BILLION
DOLLARS OF U.S. EXPORTS TO OTHER CONSIGNEES IN THAT
COUNTRY.

A FEW DENIALS AND EXTRAORDINARILY LONG DELAYS IN ARRIVING
AT A STATE POSITION ON HUMAN RIGHTS CASES FOR ARGENTINA,
BRAZIL, CHILE, HAITI, KOREA AND THE PHILIPPINES HAVE
DIRECTLY AFFECTED 280 MILLION DOLLARS IN SALES AND
PROBABLY INDIRECTLY AFFECTED SEVERAL TIMES THIS FIGURE.

2. TERRORISM

BY A SEPARATE MEMORANDUM WE ARE RECOMMENDING REVERSAL OF
STATE'S RECENT DENIAL POSITION ON 727'S FOR LIBYA. IF
SUCH SALES ARE TO BE DENIED ON GROUNDS OF TERRORISM, THE
EFFECT ON U.S. EXPORTS COULD BE ON THE ORDER OF 2 BILLION
DOLLARS IN THE MID-EAST. THIS FIGURE WOULD BE MUCH
HIGHER IF THE SAME ATTITUDE WERE EXTENDED TO THE HUMAN
RIGHTS EXPORT CONTROL PROGRAM.

3. LEVERAGE

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THE JACKSON-VANIK AMENDMENT TYING MFN AND GOVERNMENT-
SUPPORTED CREDITS TO FREER EMIGRATION FROM COMMUNIST
COUNTRIES HAS BEEN COSTLY TO U.S. EXPORTS WITH LITTLE IF
ANY POSITIVE IMPACT ON EMIGRATION. THE USSR CLAIMS THAT
THE AMENDMENT HAS COST US 2 BILLION DOLLARS IN EXPORTS TO
THEM ALONE. THIS IS NO DOUBT AN EXAGGERATION; BUT THE
AMOUNTS INVOLVED ARE, NEVERTHELESS, SUBSTANTIAL.

MR. BRZEZINSKI'S MAY 18 MEMORANDUM SUGGESTING CONTROLLING
EXPORTS TO THE USSR OF OIL PRODUCTION EQUIPMENT FOR
FOREIGN POLICY REASONS COULD HAVE A DIRECT EFFECT OF 300
MILLION DOLLARS. THE INDIRECT IMPACT WOULD BE MUCH
GREATER, ESPECIALLY TAKING INTO ACCOUNT DR. HUNTINGTON'S
WELL-PUBLICIZED THESIS THAT CONTROLS SHOULD EXTEND TO
EVERYTHING WE HAVE WHICH THE SOVIETS NEED, REGARDLESS OF
MILITARY SIGNIFICANCE. SUCH LOSSES WOULD NOT BE OFFSET
BY COMPENSATING FOREIGN POLICY GAINS, BECAUSE OF THE
VIRTUAL CERTAINTY THAT THE SOVIETS, FAR FROM MAKING

CONCESSIONS IN AFRICA AND ON DISSIDENTS, WOULD SIMPLY DIG THEIR HEELS IN DEEPER ON WHAT THEY PERCEIVED TO BE THE POLITICAL OBJECTIVES OF OUR CONTROLS.

4. STRATEGIC EMBARGO

CONTROLS JUSTIFIED ON THE BASIS OF STRATEGIC CONSIDERATIONS OFTEN GO BEYOND A REASONABLE INTERPRETATION OF WHAT IS REQUIRED TO PROTECT OUR SECURITY. FOR INSTANCE, CONTROLS ON THE RE-EXPORT TO OTHER WESTERN DESTINATIONS OF U.S. COMPONENTS INCORPORATED IN FOREIGN MANUFACTURED GOODS ARE LEADING OTHERS TO REDESIGN AWAY FROM U.S. PARTS, AT A PROBABLE COST TO U.S. EXPORTS OF HUNDREDS OF MILLIONS OF DOLLARS.

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5. COMPREHENSIVE EMBARGOES

WE NOW ADMINISTER VIRTUALLY TOTAL EMBARGOES ON EXPORTS TO NORTH KOREA, CUBA, VIETNAM, CAMBODIA, AND SOUTHERN RHODESIA. A DECISION TO REMOVE ANY ONE OF THESE EMBARGOES WOULD HAVE TO BE BASED ON AN EVALUATION OF OUR OVERALL RELATIONS WITH THE COUNTRY INVOLVED. HOWEVER, SHORT OF THAT THERE ARE UNNECESSARY ADMINISTRATIVE RESTRICTIONS. FOR INSTANCE, CONTROLS ON EXPORTS FROM SUBSIDIARIES TO CUBA ARE LIMITED TO STRATEGIC ITEMS; BUT TREASURY PROHIBITS ALL SALES OF COCOM LISTED ITEMS, EVEN THOUGH MANY OF THESE SAME ITEMS ARE ROUTINELY APPROVED FOR EXPORT TO THE USSR. SUBSTANTIAL SALES HAVE BEEN AFFECTED.

6. NUCLEAR

BECAUSE OF NUCLEAR NON-PROLIFERATION CONCERNS WE ARE CONTROLLING THE EXPORT OF SOME GENERAL PURPOSE ITEMS TO ALL DESTINATIONS. THE ONE OR TWO MONTHS REQUIRED TO PROCESS CASES FOR LOWER PERFORMANCE COMPUTERS THAN WOULD REASONABLY BE USED FOR NUCLEAR WEAPONS RESEARCH IS DELAYING SALES OF AT LEAST 1 BILLION DOLLARS AND ADVERSELY IMPACTING REPUTATIONS OF US FIRMS AS PROMPT AND RELIABLE SUPPLIERS.

7. ARMS POLICY

ACDA IS PROPOSING A STUDY TO DETERMINE WHETHER WE SHOULD RESTRICT EXPORTS OF DUAL-USE ITEMS TO NON-COMMUNIST COUNTRIES. THERE IS ALREADY A MODEST NEGATIVE IMPACT ON SALES FROM SUCH RESTRICTIONS. IF WE GO VERY FAR DOWN THIS ROAD, MANY BILLIONS OF DOLLARS OF EXPORTS WOULD BECOME JEOPARDIZED.

8. ANTI-BOYCOTT

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THREE LAWS WHICH GOVERN ACTIONS OF U.S. BUSINESSMEN CONCERNING FOREIGN BOYCOTTS CONTAIN OVERLAPPING AND INCONSISTENT PROHIBITIONS, EXCEPTIONS, REPORTING REQUIREMENTS, AND SANCTIONS. THE EFFECT HAS BEEN TO INHIBIT EXPORTS BY CREATING UNCERTAINTY AND APPREHENSION AMONG U.S. BUSINESSMEN, PARTICULARLY IN THEIR DEALINGS IN THE MIDDLE EAST.

9. CORRUPT PRACTICES

THE FOREIGN CORRUPT PRACTICES ACT, WHICH GENERALLY MAKES IT ILLEGAL TO BRIBE FOREIGN GOVERNMENT OFFICIALS IN ORDER TO OBTAIN BUSINESS, DOES NOT ADEQUATELY DEFINE KEY TERMS. THIS HAS CREATED UNCERTAINTY IN THE MINDS OF MANY EXPORTERS. SOME FIRMS, PARTICULARLY SMALL ONES, PREFER TO FORGO EXPORT OPPORTUNITIES RATHER THAN RISK RUNNING AFOUL OF THIS LAW.

10. ENVIRONMENT

U.S. DOMESTIC ENVIRONMENTAL CONCERNS HAVE AFFECTED EXPORTS BY RAISING COSTS OF PRODUCTION BEYOND THOSE OF MANY FOREIGN COUNTRIES WHERE THESE CONCERNS ARE NOT SO ACUTE. WE WOULD PROJECT AN IMPACT IN THE BILLIONS IF THE PROPOSAL, NOW IN LITIGATION, TO REQUIRE ENVIRONMENTAL IMPACT STATEMENTS FOR U.S. EXPORTS COMES TO PASS.

11. HAZARDOUS SUBSTANCES

PROPOSALS TO CONTROL THE EXPORT OF SUBSTANCES WHICH WE REGARD AS HAZARDOUS, SUCH AS THE CHEMICAL TRIS ADDED TO CHILDREN'S SLEEPWEAR FOR FLAME RESISTANCE, ARE NOT SOUNDLY

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CONCEIVED. WE SHOULD INFORM OTHER GOVERNMENTS OF OUR RESEARCH FINDINGS BUT LET THEM MAKE THEIR OWN CONTROL JUDGMENTS, ESPECIALLY SINCE SOME SUBSTANCES HAZARDOUS IN ONE USE ARE BENEFICIAL IN OTHER USES.

12. PROTECTIONISM

IT IS NOT YET ARGUED THAT WE SHOULD CONTROL THE EXPORT OF ITEMS SUCH AS STEEL MILLS IN ORDER TO AVOID BUILDING UP COMPETITION TO OUR OWN INDUSTRY. PENDING LEGISLATION WOULD, HOWEVER, DENY EXIM BANK FINANCING FOR SUCH EXPORTS. IF OUR INDUSTRY IS NOT REVITALIZED BY THE CONTINUING RESEARCH AND DEVELOPMENT WHICH FOREIGN SALES OFTEN MAKE POSSIBLE, OUR DOMESTIC INDUSTRY WILL BECOME PROGRESSIVELY

LESS COMPETITIVE.

13. SHORT SUPPLY

CURRENTLY APPLICABLE LEGISLATION PROHIBITS EXPORT OF CRUDE PETROLEUM WHICH IS TRANSPORTED ACROSS A FEDERAL RIGHT OF WAY. EXPORTS OF ALASKAN CRUDE TO JAPAN, WHICH WOULD BE ECONOMIC, ARE THUS NOT POSSIBLE.

SOYBEAN EXPORTS WERE RESTRICTED FOR A SHORT TIME FIVE YEARS AGO. THE JAPANESE HAVE SINCE INVESTED SUBSTANTIAL SUMS IN BRAZILIAN SOYBEAN PRODUCTION IN ORDER TO ENSURE SUPPLIES SHOULD WE AGAIN RESORT TO EXPORT CONTROLS. EVEN A BRIEF PERIOD OF EXPORT CONTROLS CAN HAVE A DEVASTATING EFFECT ON FOREIGN PERCEPTIONS OF THE RELIABILITY OF U.S. SUPPLIERS.

TAB 2

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SUGGESTED LIMITATIONS ON ITEMS (OTHER THAN MUNITIONS OR NUCLEAR) REQUIRING VALIDATED LICENSES AND CASES REQUIRING

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DEPARTMENT OF STATE REVIEW FOR HUMAN RIGHTS AND TERRORISM PURPOSES

A. VALIDATED LICENSE REQUIREMENTS

1. CRIME CONTROL AND DETECTION INSTRUMENTS AND EQUIPMENT AND SHOTGUNS - COMMERCE PUBLISHED REGULATIONS ON JUNE 23 WHICH ESTABLISH THE BROADLY BASED LICENSE REQUIREMENTS WHICH STATE PREVIOUSLY RECOMMENDED.

2. AIRCRAFT - COMMERCE HAS QUESTIONED STATE'S REQUEST TO REQUIRE LICENSES FOR ALL AIRCRAFT SALES TO LAW ENFORCEMENT CONSIGNEES IN ALL COUNTRIES EXCEPT NATO AND ANZUS MEMBERS AND JAPAN. THIS STATE REQUEST COULD BE WITHDRAWN, SINCE MOST AIRCRAFT ALREADY REQUIRE VALIDATED LICENSES BECAUSE OF THEIR INSTALLED AVIONICS AND COMMUNICATIONS GEAR.

3. LIBYA, IRAQ, AND THE PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN (PDRY) - COMMERCE HAS ALSO QUESTIONED STATE'S REQUEST TO REQUIRE LICENSES FOR ALL U.S.-ORIGIN COMMODITIES AND TECHNICAL DATA TO OR FOR THE USE BY OR FOR THE MILITARY AND POLICE FORCES OF LIBYA, IRAQ, AND PDRY. THIS REQUEST COULD ALSO BE WITHDRAWN, SINCE FOREIGN POLICY OBJECTIVES COULD BE ADEQUATELY PURSUED BY CONTROLLING EXPORTS TO THESE CONSIGNEES OF THE WIDE RANGE OF ITEMS ALREADY SUBJECT TO VALIDATED LICENSE REQUIREMENTS.

B. DEPARTMENT OF STATE REVIEW

COMMERCE HAS QUESTIONED STATE'S REQUEST TO REVIEW ALL APPLICATIONS FOR VALIDATED LICENSES FOR EXPORT TO OTHER THAN NATO AND ANZUS MEMBERS AND JAPAN (TO ALL CONSIGNEES
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FOR CRIME CONTROL AND DETECTION EQUIPMENT, SHOTGUNS, AND MILITARY VEHICLES AND TO LAW ENFORCEMENT AGENCIES FOR OTHER ITEMS). THERE HAVE ALSO BEEN QUESTIONS OF INTER-
PRETATION OF "LAW ENFORCEMENT AGENCIES."

THE DEPARTMENT OF STATE COULD LIMIT ITS REQUEST FOR CASE REVIEW AND EXPEDITE ITS REVIEW OF CASES RECEIVED BY TAKING THE FOLLOWING ACTION:

1. AN EXPLICIT DETERMINATION THAT STATE REVIEW WILL NOT EXTEND TO:

A) EXPORTS OTHER THAN THOSE FOR WHICH THE CONSIGNEE IS EITHER A REPRESSIVE GOVERNMENT AGENCY OR ACTING ON BEHALF OF SUCH AN AGENCY, EXCEPT FOR:

I) BROADER MULTILATERALLY AGREED CONTROLS, AS IN THE CASE OF RHODESIA, AND

II) CRIME CONTROL AND DETECTION EQUIPMENT, SHOTGUNS, AND MILITARY VEHICLES

B) EXPORTS TO A REPRESSIVE GOVERNMENT AGENCY OF ITEMS OTHER THAN THOSE EXPRESSLY IDENTIFIED AS RELEVANT TO HUMAN RIGHTS VIOLATIONS OR TERRORISM, EXCEPT FOR THE PROHIBITION OF ALL EXPORTS TO THE POLICE AND MILITARY IN SOUTH AFRICA PURSUANT TO THE PRESIDENT'S DIRECTIVE OF NOVEMBER 1977.

2. A CONFIDENTIAL COMMUNICATION FROM STATE TO COMMERCE SUBJECT TO PERIODIC REVIEW LISTING ONLY THOSE FEW COUNTRIES FOR WHICH THERE IS AN ACUTE NEED FOR STATE TO REVIEW CASES AS SPECIFIED IN 1 ABOVE, ALL OTHER CASES TO BE PROCESSED BY COMMERCE WITHOUT STATE REVIEW.

3. A DIRECTIVE TO BUREAUS WITHIN STATE THAT THEY MUST HAVE A POSITION ON EVERY CASE REFERRED TO THEM WITHIN
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15 DAYS AND THAT THEY WILL ONLY HAVE 5 DAYS TO APPEAL TO S A DECISION BY T, E, OR D.

4. A DETERMINATION THAT STATE WILL MAKE ITS JUDGMENT WITHOUT SEEKING INTER-AGENCY REVIEW.

TAB 3

EARLY WARNING SYSTEM RE EXPORT CONTROLS FOR HUMAN RIGHTS
AND TERRORISM PURPOSES

A. STATE INTERNAL ACTIONS

1. IDENTIFY COUNTRIES AND TYPES OF EXPORTS OF SERIOUS
CONCERN.

2. INFORM OVERSEAS POSTS OF CONTROLS THAT WOULD AFFECT
EXPORTS TO THEIR COUNTRIES

B. STATE INFORMATION TO COMMERCE AND EXIMBANK

1. PROVIDE SPECIFIC GUIDANCE BY COUNTRY AND ITEM ON
EXPORTS OF SERIOUS CONCERN

2. BRIEF WORKING LEVEL OFFICIALS PERIODICALLY

3. REQUEST THAT THEY NOT ADVISE EXPORTERS OF NEGATIVE
PROSPECTS BEYOND THOSE CLEARLY IDENTIFIED BY STATE.

C. COMMERCE INTERNAL ACTIONS

EXPAND PUBLISHED DATA ON EXPORT LICENSE DENIALS TO INCLUDE
THE TYPE OF END USER, E.G. "POLICE," TO INDICATE MORE
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CLEARLY TO EXPORTERS THE NARROW RANGE OF TYPES OF CASES
BEING DENIED (PRESENT PUBLISHED INFORMATION IS LIMITED TO
COUNTRY, TYPE OF COMMODITY, AND VALUE). VANCE

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